



DALE CAPITAL GROUP

DALE CAPITAL GROUP LIMITED AND ITS SUBSIDIARIES  
AUDITED ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2010

STATEMENT OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	2010 USD	2009 USD	2010 USD	2009 USD
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	17,598,806	65,466	1,040	2,141
Intangible assets	744,218	8,408,584	-	-
Investments in subsidiary	-	-	2,878,321	1,567,600
Investments in associates	30	8,682	-	-
Investment in financial assets	7,905,694	11,836,927	1,015	-
Loans receivable	-	592,207	-	6,196,812
Deferred taxation	1,699,751	1,427,420	-	-
	27,948,499	22,339,286	2,880,376	7,766,553
<b>Current assets</b>	4,697,199	1,232,576	15,025,157	11,566,865
	32,645,698	23,571,862	17,905,533	19,333,418
<b>EQUITY AND LIABILITIES</b>				
Stated capital	15,888,073	21,138,073	15,888,073	21,138,073
Reserves	(2,068,289)	(4,701,581)	(141,587)	(4,859,563)
Shareholders' interest	13,819,784	16,436,492	15,746,486	16,278,510
Non-controlling interest	4,628,400	142,223	-	-
<b>Total equity</b>	18,448,184	16,578,115	15,746,486	16,278,510
Non-current liabilities	10,050,092	1,679,990	316,943	-
Current liabilities	4,147,422	5,313,157	1,842,104	3,054,908
	32,645,698	23,571,862	17,905,533	19,333,418
<b>Net Asset Value per share</b>	2.61	3.64	2.98	3.61
<b>Number of shares in issue*</b>	5,291,066	4,509,808	5,291,066	4,509,808

STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	2010 USD	2009 USD	2010 USD	2009 USD
<b>CONTINUING ACTIVITIES</b>				
<b>REVENUE</b>				
Investment Income	207,027	2,236,089	22,247	-
Rendering of services	1,084,646	2,509,134	-	92,346
	1,291,673	4,745,223	22,247	92,346
Administrative expenses	(180,575)	(1,295,503)	(161,569)	(258,295)
Operating expenses	(2,021,838)	(1,614,320)	(104,847)	(20,089)
(Loss)/profit from operations	(910,740)	1,835,400	(244,169)	(186,038)
Finance costs	(419,230)	(281,031)	(345,928)	(48,844)
Net (loss)/gain on investments	(3,684,393)	(6,371,034)	(3,608,799)	(1,436,531)
Loss for the year from continued operations	(5,014,363)	(4,816,665)	(4,198,896)	(1,671,413)
Income tax income	(46,446)	1,779,156	-	-
Discontinued Operations	(3,183,988)	-	-	-
(Loss)/profit for the period	(8,244,797)	(3,037,509)	(4,198,896)	(1,671,413)
Other comprehensive income/(loss)	6,046,672	(627,514)	1,917,286	(2,323,490)
Total comprehensive loss for the period	(2,198,125)	(3,665,023)	(2,281,610)	(3,994,903)
<b>Loss attributable to:</b>				
Shareholders of the parent	(10,412,966)	(3,072,556)	(4,198,896)	(1,671,413)
Non-controlling interest	2,168,169	35,047	-	-
<b>Total comprehensive (loss) / income attributable to:</b>				
Shareholders of the parent	(4,366,294)	(3,700,070)	(2,281,610)	(3,994,903)
Non-controlling interest	2,168,169	35,047	-	-
Loss per share continuing and discontinued operations	(1.97)	(0.68)	(0.79)	(0.37)
Loss per share continuing operations	(0.95)	(0.68)	(0.79)	(0.37)
Dividend per share	-	(0.11)	-	(0.11)

NOTES TO THE ACCOUNTS

\*The number of shares in issue excludes 28,934 ordinary shares of no par value held in Treasury. Condensed Financial Statements have been prepared in accordance with International Financial Reporting Standards in accordance with the accounting policies used in the preparation of the financial statements for the year ended 28 February 2010. The Statement of direct and indirect interests pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at C/o H.S Corporate Services Ltd, 3rd Floor, C.A Building, 19 Poudriere, Port-Louis. The Interim Financial Statements are issued pursuant to Listing rules 15.36 and Securities Act 2005. Copies of the Abridged report are available free of charge at the registered office of the Company at C/o H.S Corporate Services Ltd, 3rd Floor, C.A Building, 19 Poudriere, Port-Louis.

The Board of Dale Capital Group Limited accepts full responsibility for the accuracy of the information.

Dale International Trust Company Limited- Corporate Secretary 27 May 2010

STATEMENT OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2010 USD	2009 USD	2010 USD	2009 USD
Net cash flow from operating activities	(3,136,830)	(91,257)	31,365	2,952,839
Net cash flow from investing activities	(12,354,588)	(5,022,420)	1,867,708	(7,287,938)
Net cash flow from financing activities	14,186,193	527,990	(1,906,355)	1,321,426
Net decrease	(1,305,225)	(4,585,687)	(7,282)	(3,013,673)
Cash and cash equivalents at beginning	232,639	2,953,169	990,020	2,383,653
Cash and cash equivalents at end	(1,072,586)	(1,632,518)	982,738	(630,020)

STATEMENT OF STATEMENTS OF CHANGES IN EQUITY

	THE GROUP			THE COMPANY			
	Stated Capital USD	Reserves USD	Non-Controlling interest USD	Total USD	Stated Capital USD	Reserves USD	Total USD
Balance at 1st March 2009	21,138,074	(4,701,582)	142,223	16,578,715	21,138,074	(4,856,564)	16,281,510
Stated Capital Movements	(5,250,000)	5,250,000	-	-	-	-	-
Movement during the period	-	(2,386,573)	2,318,008	(68,565)	-	-	-
Total Comprehensive loss for the period	-	(4,366,294)	2,168,169	(2,198,125)	-	(2,016,976)	(2,016,976)
Net movement in Treasury shares	-	4,136,159	-	4,136,159	-	1,265,323	1,265,323
Balance at 28 February 2010	15,888,074	(2,068,290)	4,628,400	18,448,184	21,138,074	(5,608,217)	15,529,857
Balance at 1st March 2008	24,252,216	9,164,871	(146,046)	33,271,041	24,252,216	3,754,750	28,006,966
Movement during the period	(14,142)	(5,546,973)	253,222	(5,307,893)	(14,142)	-	(14,142)
Stated Capital Movements	(3,100,000)	-	-	(3,100,000)	(3,100,000)	-	(3,100,000)
Total Comprehensive loss/income for the year	-	(3,700,070)	35,047	(3,665,023)	-	(3,994,904)	(3,994,904)
Net movement in Treasury shares	-	(4,136,159)	-	(4,136,159)	-	(4,136,159)	(4,136,159)
Dividends	-	(483,251)	-	(483,251)	-	(483,251)	(483,251)
Balance at 28 February 2009	21,138,074	(4,701,582)	142,223	16,578,715	21,138,074	(4,859,564)	16,278,510

COMMENTS:

**Group profile.** -The current financial year has seen the speedy return to the group's historically successful private equity investment holding strategy via investment in Financial services, hotels and leisure, property, information technology, fish, fine foods and beverage. During the new financial year the group is considering investing in renewable energy sector. The group focuses investment in the Southern African Development Community (SADC) and specifically Mauritius and South Africa. The future investment in the renewable energy sector is however, initially focussed in Europe.

The Global financial crisis severely impacted the Company's listed investments and resulted in a speedy review of strategy inspite of operating in an extremely constrained liquidity position. The directors are pleased to present the results for the year ended 28 February 2010 which reflects the effects of the restructuring. The group's diversified private equity investment holding strategy successfully assisted in positioning the group for good performance in the next 18 to 36 months.. The executives have embarked on a short term strategy to raise new capital and given the current status of its investment portfolio are confident that negotiations will be successful in this respect. Thereafter, further investment will be made in some of its existing "core" investments.

**New Investment and acquisitions - Q410** saw the first revenue being received from the exciting Shelly Point Resort project on the Western Cape Atlantic seaboard. The 100% capacity extension of the hotel is now complete which will increase considerably the revenue for the Group during 2010/11. The FIFA world cup is almost upon us and the Hotel is fully booked during the world cup period and significant corporate bookings have been confirmed through to February 2011. Executives are confident that Shelley Point will steadily and consistently provide significant contributions in the future.

Other milestones for the Group during the financial year were the completion and opening of the Bella Amigo MUR150m fish processing factory, restaurant and shop which is to European Standards. The facility boasts a "Factory Shop" (Fine Food and beverage) and a 5 Star restaurant. The themed restaurant will be a unique venue and the first of its kind in Mauritius. In addition September 2009 saw the commencement of trading in the new South African Branch of Bella Amigo which has over a short period, since inception, performed well. The group regards its investment in the fast growing Mauritius based, AfrAsia Bank, to be a core investment and will seek to increase the size of this investment. Investment in Amara Technologies International, an independent third party processing business providing CRM enhanced payment solutions and products to the African marketplace, will undoubtedly result in a solid base of annuity income which will commence in the new financial year.

The Directors are confident that the new investments are attractive enough to be able to raise additional capital and to begin to reap the rewards of the new strategy during the year 2010 / 2011.

**Financial Results.** - Revenue in 2010 declined when compared to 2009 as a result of the sale of the asset management business which was incurring significant investment losses and causing a strain on the group's resources. The Group is confident that new investments will generate significant Revenue. Losses in investments in the current year are as a result of the sale of the group's listed shares and most of the asset management business. This is reflected in the high finance costs

As a result of its strategy certain investments were disposed of at less than optimum value, which is reflected in the loss per share of US\$0.95 and the NAV of the Group falling from US\$3.64 (2009) to US\$2.61. The majority of the quoted investments have been exited, and the Group can now look forward to considerably less volatility uncorrelated with equity markets. However the re-positioning of investments has been carefully considered and the benefits are already starting to be evidenced. The Group will look to unlock value in the medium and longer term and create annuity income and profitability going forward.

The Assets of the Group have gone up by 28% to USD 32 Million, underpinned by unvolatile and annuity income generating assets controlled by the group as opposed to listed instruments exposed to market volatility. The Working Capital Ratio of the Group has improved significantly as the group has proceeded to repay debt during the financial year and will continue to do so in the near future.

Most of the Non-Current Liabilities is from investors partnering in the new strategy of the group and who have provided their support. The group has split its shares and is trading same in the Mauritian Rupee to improve liquidity of its shares.

**Appreciation.** We extend our appreciation to our management and staff for their hard work and commitment which have contributed to the group's performance in a difficult time. We also thank our business associates, customers and shareholders for their ongoing support.